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BRAND PREFERENCE OF BRANDED COCONUT OIL CONSUMER IN COIMBATORE CITY – AN ANALYTICAL STUDY

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ABSTRACT

India is the largest producer of coconut in the world with the distinction of having the highest productivity. Southern states account for more than 80 per cent of coconut production. impact of organizational culture and employee commitment. In the present study brand preference is defined as consumers preferring a particular brand of coconut oil over other brands and in the case of non availability substituting it with another brand of coconut oil.The study is designed in descriptive nature and the sample size is 140 consumers. Primary data collection was done with the help of structured questionnaire/interview schedule and secondary data was collected through books, journals, web sites. To analyze the collected data the following the relevant statistical tools were applied like Percentage analysis, Rank Based Quotient and Logit model. Product features preferred by the branded coconut oil users were purity, keeping quality, aroma, stickiness and colour. These attributes must be kept in mind while designing new products. Coconut oil is purchased as a part of groceries in departmental stores so, the firm can promote their advertisement through posters in such retail outlets. Majority of the household purchased their branded coconut oil from departmental stores. The firm should arrange frequent and timely supply to such stores.

INTRODUCTION

Several firms had been engaging in production and marketing of branded coconut oil. Hence the consumers have more options to choose. In this context, a study on consumer preference was deemed importance to understand the buying behaviour of different

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consumers. Understanding the consumer preference would help the firms in formulating strategies to cater to the needs of the consumer and thereby increase their market share. Consumers' taste and preference are found to change rapidly, especially in a dynamic environment.

1.1 Review of Literature

Lau et al. (2006) in his article mentioned that there were seven factors that influenced consumers' brand loyalty towards certain Hair oil brands. The factors were: brand name, product quality, price, style, store environment, promotion and service quality. According to **Kohli and Thakor (1997),** brand name is the creation of an image or the development of a brand identity and is an expensive and time consuming process. The development of a brand name is an essential part of the process since the name is the basis of a brand's image. Brand name is important for the firm to attract customers to purchase the product and influence repeat purchasing behaviour. Consumers tend to perceive the products from an overall perspective, associating with the brand name all the attributes and satisfaction experienced by the purchase and use of the product. According to **Cadogan and Foster (2000),** price is probably the most important consideration for the average consumer. Consumers with high brand loyalty are willing to pay a premium price for their favored brand, so, their purchase intention is not easily affected by price. According to **Bucklin et al. (1998),** price significantly influences consumer choice and incidence of purchase. He emphasized that discount pricing makes households switch brands and buy products earlier than needed. Price is described as the quantity of payment or compensation for something. It indicates price as an exchange ratio between goods that pay for each other. Price also communicates to the market the company's intended value positioning of its product or brand. Price consciousness is defined as finding the best value, buying at sale prices or the lowest price choice **(Sproles and Kendall, 1986).** Additionally, consumers generally evaluated market price against an internal reference price, before they decide on the attractiveness of the retail price. A research conducted by **Duff (1999)** investigated the niche market in women's hair oil and the results showed that hair oil shoppers were becoming more fashion conscious and were demanding products with more style; furthermore, consumers have a tendency to wear different attires for different occasions.

1.2 Objectives of the Study

The overall objective of the study is to analyse the consumers' preference of the branded coconut oil

The specific objectives of the study are;

i. To identify the preferential features of coconut oil as perceived by the consumer.
ii. To study the factors influencing the consumers' preference towards the purchase of branded coconut oil.
iii. To identify the various sources of information, influencing the purchasing behaviour of consumers.

METHODOLOGY AND SAMPLE

The case firm wanted to increase the sale of the branded coconut oil. Hence the product is purposively selected for the present study. As indicated by the case firm, Coimbatore Corporation was purposively selected for the present study. The study is designed in descriptive nature and the sample size is 140 consumers. Primary data collection was done with the help of structured questionnaire/interview schedule and secondary data was collected through books, journals, web sites. To analyze the collected data the following the relevant statistical tools were applied like Percentage analysis, Rank Based Quotient and Logit model.

2.1 Scope and Significance

This study would be helpful in obtaining firsthand knowledge about coconut oil used at home. The study would also offer detailed insight on the awareness level, consumption of branded coconut oil and reasons for buying or not buying the case firm products. This would help the company to adopt innovative ideas and newer marketing strategies to get a strong foothold in the market.

This study was based on primary data collected from sample consumers by survey method. As many of the consumers furnished the required information from their memory and experience, the collected data would be subjected to recall bias. The retailers also may not able to recall accurately. Hence crosschecks were made to minimize recall bias. The study area was limited to Coimbatore city and the findings may not be applicable to other markets, as vast differences exist among the consumers with regard to demographic and psychographics characteristics. Hence, the findings of the study may be considered appropriate for the situations similar to the study area and extra care should be taken while generalizing the results.

FINDINGS

Majority of branded coconut oil consumers belonged to the nuclear family type and were educated.About 70.00 per cent of the branded coconut oil consumers were employed in various institutes.Most of the household (45.00 per cent) had one working person in the family.39.30 per cent of the consumers had a monthly income of more than Rs.20, 000.Majority of the households decisions regarding choice of branded coconut oil were made by ladies and children in the family.

Only one brand was used by majority of household and unbranded coconut oil users were found to be less.Keeping quality followed by smell were the important reasons for the preference of branded coconut oil.Parachute, VVD and Dabur vatika were the top three brands in mind of the consumers.Age of the respondents, Income of the household and educated members in the family were the factors influencing the usage of branded coconut oil.Majority of the consumers (82.35 per cent) were stick on with same brand.50.00 per cent of VVD consumers (50.00 per cent) were highly satisfied with that particular brand.Majority (32.35 per cent) of the households were using Parachute followed by VVD (27.45 per cent).27.45 per cent of consumers purchased 100 ml pack whereas 24.50 per cent of consumers preferred to buy 50 ml.

RECOMMENDATIONS AND CONCLUSION

Considering the findings of the study, following recommendations are made for consideration of the firm while revising the strategies.

Product features preferred by the branded coconut oil users were purity, keeping quality, aroma, stickiness, and colour. These attributes must be kept in mind while designing new products. Regarding pack size, majority of consumers preferred 100 ml followed by 50 ml. Hence the firm is advised to produce more of 100 ml and 50 ml pack size. Major part of consumers preferred to buy sachet so the firm can concentrate more on this type of packing.

Majority of the respondents preferred to use other brands because consumers felt that the price of other brands was lesser than the firm brand. Hence, the firm can examine options to reduce price so as to make them shift from the use of other brands. As in majority of families ladies and children influenced the purchase decision of the coconut oil. The company could formulate strategies that attract women and children to increase the sales of their products. Different companies followed different strategies for promoting sales of their product. So, firm must focus common benefits of branded coconut oil and convince the consumers even though they get better produce.Coconut oil is purchased as a part of groceries in departmental stores so, the firm can promote their advertisement through posters in such retail outlets. Majority of the household purchased their branded coconut oil from departmental stores. The firm should arrange frequent and timely supply to such stores. About 61.76 per cent of the households purchased coconut oil from departmental stores along with other commodities. So, the firm can concentrate on such stores to place their brands.

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APPENDIX

Table 1: *Shows Profile of Respondents*

		Frequency	
Age wise classification of the respondent	< 30	39	27.85
	31-40	53	37.86
	41-50	38	27.15
	>50	10	7.14
Gender	Male	15	10.72
	Female	125	89.28
Educational status	Illiterate	4	2.86
	Primary	14	10.00
	Secondary	27	19.28
	Higher secondary	20	14.28
	Collegiate	75	53.58
Family type	Joint family	28	20.00
	Nuclear family	112	80.00
Employment pattern	Employees in various institutes	98	70.00
	Self employed	42	30.00
Earning members / Family	One	63	45.00
	Two	56	40.00
	More than two	21	15.00
Group (Income/month in Rs)	Group I (<10000)	40	28.56
	Group II (10000-20000)	45	32.14
	Group III (>20000)	55	39.30
Source of information	TV advertisement	78	55.72
	Word of mouth	26	18.58
	Shopkeeper's recommendation	20	14.28
	Print media/News paper	10	7.14
	Radio advertisement	6	4.28
Number of brands used by a family	One	88	86.27
	Two	14	13.73
Decision maker in buying coconut oil	Gents	16	11.43
	Ladies	82	58.57
	Children	42	30.00
Future prospects on sales of VVD brand	Increase	23	65.71
	Remains the same	7	20.00
	Decrease	5	14.29

Table 2: *Average Family Members of the Sample Household*

Particulars	Members / family
Adult	3.10
Children	1.30
Total	4.40

Table 3: *Type of Packing Preferred*

Income Group (Rs)	Type of Packing			Total
	Sachet	Bottle	Flip top	
Group I (<10,000)	23 (52.27) (63.89)	10 (21.74) (27.78)	3 (25.00) (8.33)	36 (35.30) (100.00)
Group II (10,000-20,000)	12 (27.27) (31.58)	20 (43.48) (52.63)	6 (50.00) (15.79)	38 (37.25) (100.00)
Group III (>20,000)	9 (20.46) (32.14)	16 (34.78) (57.14)	3 (25.00) (10.72)	28 (27.45) (100.00)
Overall	44 (100.00) (43.14)	46 (100.00) (45.10)	12 (100.00) (11.76)	102 (100.00) (100.00)

Table 4: *Purpose of Using Coconut Oil*

Particulars	Purpose		Total
	Hair	Edible	
Branded	98 (96.08) (76.56)	4 (3.92) (33.33)	102 (100.00) (72.86)
Unbranded	30 (78.94) (23.44)	8(21.06) (66.67)	38 (100.00) (27.14)
Overall	128 (91.42) (100.00)	12 (8.58) (100.00)	140 (100.00) (100.00)

Table 5. Reasons for purchasing branded coconut oil

Reasons	Mean score	Rank
Keeping quality	86.18	I
Smell	72.93	II
Price	68.12	III
Non-Stickiness	59.29	IV
Brand image	50.16	V

Table 6: *Reasons for Not Buying Branded Coconut Oil*

Reasons	Mean score	Ranks
Adequate availability of home made oil	86.28	I
High price	75.58	II
Loss of purity	60.58	III
Poor keeping quality	56.50	IV

Table 7: *Top Three Brands in the Mind of Consumers*

Brands	Mean score	Rank
Parachute	46.09	I
VVD	35.29	II
Dabur Vatika	18.62	III

Table 8: *Factors Influencing the Use of Branded Coconut Oil*

S.No	Variables	Coefficient	Significant	Expected value
1.	Family type	-0.3054	0.7956	0.7368
2.	Age of the respondents	5.8620	**0.0654**	3.5142
3.	Place of purchase	-6.6282	0.1186	0.1013
4.	Number of earning members in the family	0.0390	0.9373	1.0398
5.	Income of the household	2.3278	**0.0002**	10.255
6.	Number of brand used	-0.0853	0.8373	0.9182
7.	Number of educated members in family	1.5184	**0.0555**	4.5651
8.	Type of package	0.1351	0.1829	1.1447
9.	Constant	-18.4362	0.0720	

Table 9: *Decision Maker in Buying Coconut Oil*

Decision maker	No. of household	Per cent to total
Gents	16	11.43
Ladies	82	58.57
Children	42	30.00
Total	140	100.00

Table 10: *Place of Purchase*

Place of Purchase	Income Group			Overall
	Group I	Group II	Group III	
Grocery shop	14 (35.90) (63.64)	16 (41.02) (50.00)	9 (23.08) (18.75)	39 (100.00) (38.24)
Departmental stores	8 (12.70) (36.36)	16 (25.40) (50.00)	39 (61.90) (81.25)	63 (100.00) (61.76)
Total	22 (21.57) (100.00)	32 (31.37) (100.00)	48 (47.06) (100.00)	102 (100.00) (100.00)

Table 11: *Period of Usage of Branded Coconut Oil*

Period of usage	Income Group			Overall
	Group I	Group II	Group III	
< 5 years	18 (60.00) (56.25)	7 (23.33) (19.44)	5 (16.67) (14.71)	30 (100.00) (29.41)
5-10 years	12 (21.82) (37.50)	23 (41.82) (63.89)	20 (36.36) (58.82)	55 (100.00) (53.92)
>10 years	2 (11.76) (6.25)	6 (35.30) (16.67)	9 (52.94) (26.47)	17 (100.00) (16.67)
Total	32 (31.38) (100.00)	36 (35.29) (100.00)	34 (33.33) (100.00)	102 (100.00) (100.00)

Table 12: *Usage of Same Brand*

Likely to change brand	Income Group			Overall
	Group I	Group II	Group III	
Yes	5 (27.78) (8.62)	7 (38.89) (30.43)	6 (33.33) (28.57)	18 (100.00) (17.65)
No	53 (63.10) (91.38)	16 (19.05) (69.57)	15 (17.85) (71.43)	84 (100.00) (82.35)
Total	58 (56.86) (100.00)	23 (22.55) (100.00)	21 (20.59) (100.00)	102 (100.00) (100.00)

Table 13: *Purchasing Pattern of Consumers*

Customer Category	Income Group			Overall
	Group I	Group II	Group III	
Regular	17 (17.34) (89.47)	42 (42.86) (97.67)	39 (39.80) (97.50)	98 (100.00) (96.08)
Occasion	2 (50.00) (10.53)	1 (25.00) (2.33)	1 (25.00) (2.50)	4 (100.00) (3.92)

Total	19 (18.62) (100.00)	43 (42.16) (100.00)	40 (39.22) (100.00)	102 (100.00) (100.00)

Table 14: *Satisfaction Level of Branded Coconut Oil*

Satisfaction	Brands		
	Parachute	VVD	Dabur Vatika
Highly satisfied	15 (45.46)	14 (50.00)	6 (35.29)
Satisfied	11 (33.33)	10 (35.71)	8 (47.06)
Neutral	5 (15.15)	3 (10.72)	3 (17.65)
Less satisfied	2 (6.06)	1 (3.57)	0 (0.00)
Dissatisfied	0 (00.00)	0 (00.00)	0 (00.00)
Total	33 (100.00)	28 (100.00)	17 (100.00)

Table 15: *Branded Coconut Oil Purchased by the Sample Household*

Name of the brand	No. of household
Parachute	33 (32.35)
VVD	28 (27.45)
Dabur Vatika	17 (16.66)
Shanthi	9 (8.82)
Parachute Jasmine	7 (6.86)
Aswini	4 (3.92)
Clinic plus	2 (1.96)
AVS	1 (0.98)
AVM	1 (0.98)

Table 16: *Use of Brands by the Consumers (First Three Brands Only)*

Income group	Brand			Per cent to total
	Parachute	VVD	Dabur vatika	
Group I	9 (27.28)	10 (35.71)	4 (23.53)	23 (100.00)
Group II	14 (42.42)	11 (39.29)	6 (35.29)	31 (100.00)
Group III	10 (30.30)	7 (25.00)	7 (41.18)	24 (100.00)
Total	33 (100.00)	28 (100.00)	17 (100.00)	78 (100.00)